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DATE PREPARED: January 18, 2001
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LB 166

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *

	FY 2001-2002		FY 2002-2003	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		\$ 6,250		\$ 15,650
CASH FUNDS	\$ 22,000	\$ 5,625	\$ 20,500	\$ 14,085
FEDERAL FUNDS		\$ 1,500,000 to \$ 3,000,000		\$ 1,500,000 to \$ 3,000,000
OTHER FUNDS				
TOTAL FUNDS	\$ 22,000	\$ 1,511,875 to \$ 3,011,875	\$ 20,500	\$ 1,529,735 to \$ 3,029,735

*Does not include impact on political subdivisions. See narrative for political subdivision estimates.

LB 166 reduces the concentration of alcohol in the blood from .10 to .08 of one gram for conviction of driving under the influence in a motor vehicle or a motorboat. The reduction of the threshold should result in additional arrests and administrative license revocations (ALR). The Department of Motor Vehicles (DMV) indicates that recent information on other states, which have gone to a .08 threshold, shows a sustainable increase of about 5% in the number of arrests and convictions for driving under the influence.

Using a 5% increase, there will be approximately 493 additional arrests in each of the next two years. This will result in an estimated annual increase of 183 ALR hearings for DMV. The agency will have to contract with outside hearing officers, if a 5% increase in ALR hearings occurs. It is estimated the increased cash fund expenditure for hearings will be about \$20,500 each year. DMV also estimates a need for \$1,500 in 2001-02 for reprinting of forms. This fiscal note assumes that existing support staff can handle the processing of additional reports and petitions.

Persons whose licenses are revoked must pay a \$95 reinstatement fee. The allocation for the \$95 reinstatement fee is \$50 to the General Fund and \$45 to the DMV Cash Fund. The revenue increase from reinstatement fees is projected to be \$11,875 (\$6,250 General, \$5,625 Cash) in 2001-02, based on a September implementation date and a 2-6 month suspension period. In 2002-03, the revenue increase from reinstatement fees is estimated to be \$29,735 (\$15,650 General, \$14,085 Cash), assuming all revoked licenses are reinstated.

The Supreme Court may have an increased number of trials due to the reduced threshold. Depending upon the number of arrests, there may be some need for an increase in resources. However, no fiscal impact is projected at this time. Any additional revenue from fines assessed for DUI convictions will accrue to the public schools.

DMV indicates the passage of the bill will qualify the state to receive from \$1.5 million to \$3 million of federal incentive grants. The grant funds may be used for highway construction and/or highway safety projects. The Department of Roads indicates the state will lose federal highway funds beginning in 2003-04, if the blood alcohol content threshold is not lowered to .08 by October 1, 2003. The projected loss of funds is \$3.3 million in FY 2004, \$6.6 million in FY 2005, \$9.9 million in FY 2006 and \$13.2 million in FY 2007 and thereafter.